

Market Commentary

Recap: The April WTI contract posted an inside trading day on its last day as the spot month. The market was closely monitoring efforts aimed at restoring supply flows, including a potential reopening of the Strait of Hormuz, easing of sanctions on major producers and the release of strategic reserves. However, its losses were limited as there was no sign of the conflict ending anytime soon, with the U.S. preparing to send thousands of additional troops to the Middle East in the coming weeks. The market traded to a low of \$93.42 in overnight trading following the news the U.S. may soon remove sanctions from Iranian oil stranded on tankers and may decide on a further release of oil from the SPR. The market also remained under pressure after Britain, France, Germany, Italy, the Netherlands and Japan expressed their readiness to contribute to efforts to ensure the safe passage through the Strait of Hormuz. However, the market traded higher on a warning by the IEA chief, Fatih Birol, who stated that it could take up to six months to restore oil and gas flows from the Middle East. The market was further supported amid the news that the U.S. was deploying additional marines to the Middle East. The oil market rallied to a high of \$99.67 in afternoon trading. It later settled in a sideways trading range ahead of the close. The April WTI contract went off the board up \$2.18 at \$98.32, while the May WTI contract settled up \$2.68 at \$98.23 and the May Brent contract settled up \$3.54 at \$112.19. The product markets ended the session higher, with the heating oil market settling up 26.64 cents at \$4.6084 and the RB market settling up 15.91 cents at \$3.2862.

Technical Analysis: The oil market will continue to look for the developments in restoring supply from the Middle East. It will remain driven by the latest headlines seen over the weekend as President Trump stated that there were no leaders in Iran to talk about the war and reiterated demands that Iran have no nuclear weapons. The crude market is seen finding support, basis the May contract, at \$92.47, \$92.10, \$91.45, \$91.09, \$89.35, \$87.18, \$80.60 and \$75.64. Meanwhile, resistance is seen at \$98.75, \$100.48, \$101.48, \$102.44 and \$119.48.

Fundamental News: The Wall Street Journal reported that oil officials in Saudi Arabia are projecting that oil prices could soar past \$180/barrel if disruptions due to the Iran war persist until late April.

Axios reported that the Trump administration is considering plans to occupy or blockade Iran's Kharg Island to pressure Iran to reopen the Strait of Hormuz.

U.S. Energy Secretary, Chris Wright, said removing sanctions on stranded Iranian oil would get supplies to Asia within three or four days. On Thursday, U.S. Treasury Secretary Scott Bessent said the U.S. may soon remove sanctions on Iranian oil stranded on tankers at sea. He said the unsanctioned oil would then be refined and hit the market over the coming month and a half.

Baker Hughes reported that U.S. energy firms this week cut the number of oil and natural gas rigs operating for the first time in three weeks. The oil and gas rig count fell by one to 552 in the week ending March 20th, the lowest level since early March. Baker Hughes said oil rigs increased by two to 414 this week, their highest level since mid-December, while gas rigs fell by two to 131, their lowest level since early February, and miscellaneous rigs fell by one to seven.

IIR Energy said U.S. oil refiners are expected to shut in about 824,000 bpd of capacity in the week ending March 20th, increasing available refining capacity by 69,000 bpd.

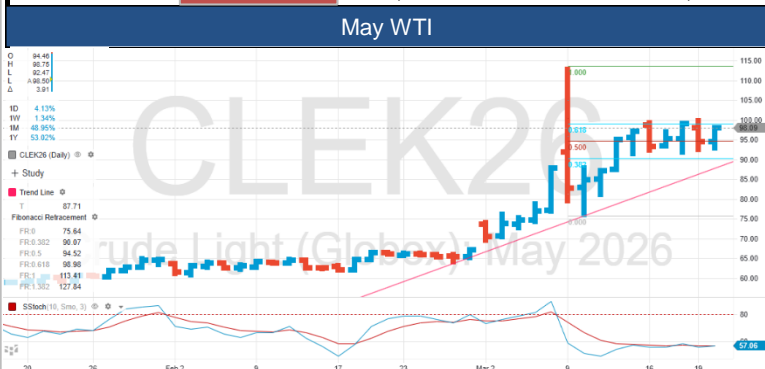
Early Market Call - as of 9:15 AM EDT

WTI - May \$90.20, down \$7.86
RBOB - Apr \$3.0561, down 25.31 cents
HO - Apr \$4.3219, down 34.26 cents

All NYMEX | Prior Settlements

	ULSD (HO) Close	Prior Settle Change	Change In One Week
Apr-26	4.6084	0.2664	0.5937
May-26	4.2425	0.1461	0.5157
Jun-26	3.7601	0.1301	0.3603
Jul-26	3.5094	0.1294	0.3020
Aug-26	3.3452	0.1300	0.2528
Sep-26	3.2495	0.1262	0.2356
Oct-26	3.1762	0.1222	0.2309
Nov-26	3.0991	0.1175	0.2303
Dec-26	3.0203	0.1133	0.2338
Jan-27	2.9688	0.1086	0.2245
Feb-27	2.9232	0.1047	0.2138
Mar-27	2.8673	0.1015	0.2042
Apr-27	2.8071	0.0983	0.1949
May-27	2.7638	0.0937	0.1831
Jun-27	2.7251	0.0844	0.1683
Jul-27	2.7078	0.0793	0.1644
Aug-27	2.6946	0.0747	0.1619

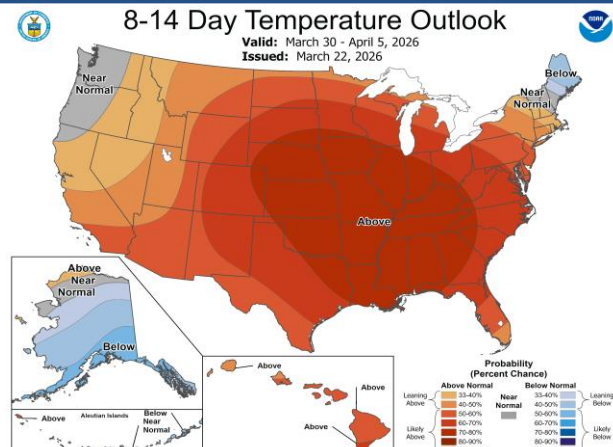
Sprague HeatCurve October 2026-April 2027		\$2.9693
	Close	Change
Crude - WTI	\$98.2300	\$2.6800
Crude - Brent	\$112.1900	\$3.5400
Natural Gas	\$3.0950	-\$0.0710
Gasoline	\$3.2862	\$0.1591



April Heating Oil



Weather Outlook



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